

RESOLUTION NO. 2012-12

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON
BEACH AMENDING THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY AND THE HUNTINGTON BEACH MANAGEMENT
EMPLOYEES' ORGANIZATION (MEO), BY ADOPTING THE SIDE LETTER
OF AGREEMENT**

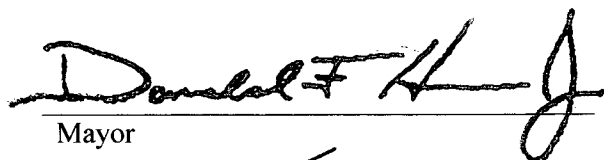
WHEREAS, on May 21, 2007, the City Council of Huntington Beach adopted Resolution No. 2007-33 for the purpose of adopting the Memorandum of Understanding (MOU) between the City and the Huntington Beach Management Employees' Organization (MEO);

Subsequent to the adoption of the MOU, the City of Huntington Beach and MEO agreed to changes, corrections, and clarifications to the MOU that are reflected in a Side Letter of Agreement between the City of Huntington Beach and MEO ("Side Letter of Agreement") attached hereto as **Exhibit A** and incorporated herein by this reference.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Huntington Beach as follows:

- Section 1. The Side Letter of Agreement attached hereto as **Exhibit A** is approved and adopted.
- Section 2. The Side Letter of Agreement amends the MOU between the City of Huntington Beach and MEO.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 5th day of March, 2012.


Mayor

REVIEWED AND APPROVED


City Manager

INITIATED AND APPROVED


Director of Human Resources

APPROVED AS TO FORM:


City Attorney

City of Huntington Beach
SIDE LETTER AGREEMENT

The Management Employees Organization ("MEO") and the City of Huntington Beach ("City") hereby agree to this side letter to the 12/20/06 – 12/19/08 MOU, as amended by previous Side Letters, including the 12/17/07, 03/15/10 and 11/7/11 Side Letters.

ARTICLE I - TERM OF MOU

This Side Letter shall be in effect following City Council approval through any period of extension elected by the Association. MEO previously exercised its exclusive right to extend the term of the agreement for six (6) months, through June 19, 2012; and retains the exclusive right to extend the term of the MOU for an additional six (6) months, through December 20, 2012.

ARTICLE XI – RETIREMENT

B. California Public Employees' Retirement System (CalPERS)

1. Employee's Contribution

- a. Effective the beginning of the pay period which includes November 1, 2011, and continuing until the end of the pay period which includes June 19, 2012, the employees shall pay an additional 2% of the employee's contribution to CalPERS plus the 2.25% provided under the December 17, 2007 Side Letter. Total employee contribution from the effective date of this side-letter through and including the pay period ending June 19, 2012 is four and one-quarter percent (4.25%) of the employee share of CalPERS. Should the Association exercise its exclusive right to extend the term of the MOU for an additional six (6) months, through December 20, 2012, this provision will be extended, and the 4.25% employee contribution will continue until the end of the pay period that includes September 21, 2012. Effective the end of the pay period which includes September 21, 2012, the parties agree that the employee contribution to CalPERS shall return to 2.25%, as provided in *Article XI, Section C – Retirement – PERS 2.5%@55* of the MEO Memorandum of Understanding as of December 17, 2007 (Reference Resolution No. 2007-87).
- b. Any employees covered by this agreement who are enrolled in the PERS 3% at 50 safety retirement plan, or any other CalPERS retirement benefit formula, shall contribute the same percentage to the employees' share of PERS as those enrolled in the 2.5% at 55 plan, as indicated in Section a. above. Should the Association exercise the exclusive right to extend the term of the MOU for an additional six (6) months, through December 20, 2012, this provision will be extended, and the 4.25% employee contribution will continue until the end of the pay period that includes September 21, 2012. Effective the end of the pay period which includes September 21, 2012, the parties agree that the employee contribution to CalPERS shall be 2.25%, as provided in *Article XI, Section C – Retirement – PERS 2.5%@55* of the MEO Memorandum of Understanding as of December 17, 2007 (Reference Resolution No. 2007-87).

ARTICLE XII – LEAVE BENEFITS

A. Leave With Pay

1. General Leave

b. Eligibility and Approval

General Leave must be pre-approved except for illness, injury or family sickness, which may require a physician's statement for approval. General Leave accrued time is to be computed from hire date anniversary. Employees shall not be permitted to take general leave in excess of actual time earned. Effective the beginning of the pay period which includes November 1, 2011, and continuing until the end of the pay period which includes June 19, 2012, employees shall not accrue General Leave in excess of seven hundred (700) hours. Employees will not earn General Leave hours in excess of seven hundred (700) hours and shall not be paid the cash value of any additional hours beyond seven hundred (700) in their paycheck for the full duration of the time provided herein. Employees may not use their General Leave to advance their separation date on retirement or other separation from employment. Should the Association exercise the exclusive right to extend the term of the MOU for an additional six (6) months, through December 20, 2012, this provision will be extended, and the GL overage suspension will continue until the end of the pay period that includes September 21, 2012. Effective the end of the pay period which includes September 21, 2012, the parties agree to return to the original language contained in *Article XII, Section 1 – General Leave, (b.) Eligibility and Approval* of the MEO Memorandum of Understanding as of December 20, 2007.

- i. All General Leave accruals exceeding 640 hours as of June 19, 2012, or September 21, 2012 should the Association exercise its exclusive right to extend the term of the MOU for an additional six (6) months, through December 20, 2012, will not be eligible for cash-out, for cash out at separation or for overage payment. Employees separating City service between March 16, 2012 and June 19, 2012, or between September 21, 2012 and December 20, 2012, should the Association exercise its exclusive right to extend the term of the MOU for an additional six (6) months, shall be limited to 640 hours of General Leave as final pay out. All other employees with General Leave in excess of 640 hours as of June 19, 2012, or December 20, 2012, should the Association exercise the exclusive right to extend the term of the MOU for an additional six (6) months, shall have an additional six (6) months to use any hours above 640. All hours above 640 not utilized by the end of the pay period following the six (6) month period shall be forfeited.

Side-Letter Implementation

The parties agree that the execution of this side-letter agreement may not be challenged by the Association or any employee it is recognized to represent through the City's grievance procedure or in any other forum unless the challenge is based upon a factual allegation that the Agreement was the product of fraud, intentional misrepresentation or unlawful coercion on the part of City representatives.

IN WITNESS WHEREOF, the parties have caused this SIDE LETTER AGREEMENT to be executed by and through their authorized officers on MARCH 5, 2012.

**Huntington Beach
Management Employees' Organization**

Scott Field
Scott Field
President

Dated: 3/7/12

Tom Graham
Tom Graham
Vice President

Dated: 2-29-12

City of Huntington Beach

Fred A. Wilson
Fred A. Wilson
City Manager

Dated: _____

Michele Warren
Michele Warren
Director of Human Resources

Dated: 2/22/12

APPROVED AS TO FORM:


Jennifer M. McGrath
Jennifer M. McGrath
City Attorney

Dated: 2-23-12

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, JOAN L. FLYNN the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at a **regular** meeting thereof held on **March 5, 2012** by the following vote:

AYES: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr, Boardman
NOES: None
ABSENT: None
ABSTAIN: None



City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California